

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW MEXICO

STATE OF NEW MEXICO *ex rel.*)
State Engineer,)

Plaintiff,)

v.)

ROMAN ARAGON, *et al.*,)

Defendants.)
_____)

No. 69cv7941 BB-ACE

RIO CHAMA Stream System

Wild & Scenic River Section

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UNITED STATES' STATUS REPORT

Pursuant to the Initial Scheduling and Pretrial Order filed July 18, 2005 (Doc. No. 7952), the United States' files this Status Report on negotiations between the United States and the State of New Mexico, ex rel. State Engineer ("State") on flow numbers for the Rio Chama federal reserved right.

Although the United States and the State have yet to reach an agreement on the flow numbers for the water right, they have continued to hold discussions (most recently on August 2nd) and there has been progress toward reaching an agreement on both the flow numbers and the content of a Proposed Consent Order. Both the United States and the State remain optimistic that this matter will be resolved through settlement.

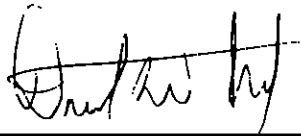
The Court has asked whether this subfile proceeding should be expanded into an expedited *inter se* proceeding. The United States sees no reason to do so at this time. It is not clear to the United States that any efficiency would be gained. In addition, substantial questions exist regarding the extent of service which would be required for an expedited *inter se* and the availability of accurate service lists for such service.

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As counsel for the United States advised in the United States' Proposed Scheduling Order, he is unavailable for the status conference set for August 8, 2005. Counsel for the United States will be available to discuss whether this matter should be addressed as an expedited *inter se*, or any other matter related to this proceeding, at the next regularly scheduled status conference or at an earlier proceeding should the Court so desire.

DATED this 3rd day of August, 2005.

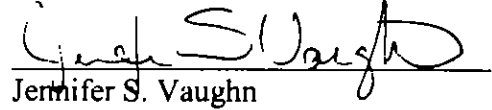
Respectfully Submitted,

A handwritten signature in black ink, appearing to read "David W. Gehlert", written over a horizontal line.

DAVID W. GEHLERT
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Certificate of Service

I hereby certify that a true and correct copy of the **United States' Status Report** was sent via United States First Class Mail on August 3, 2005 to the following:


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